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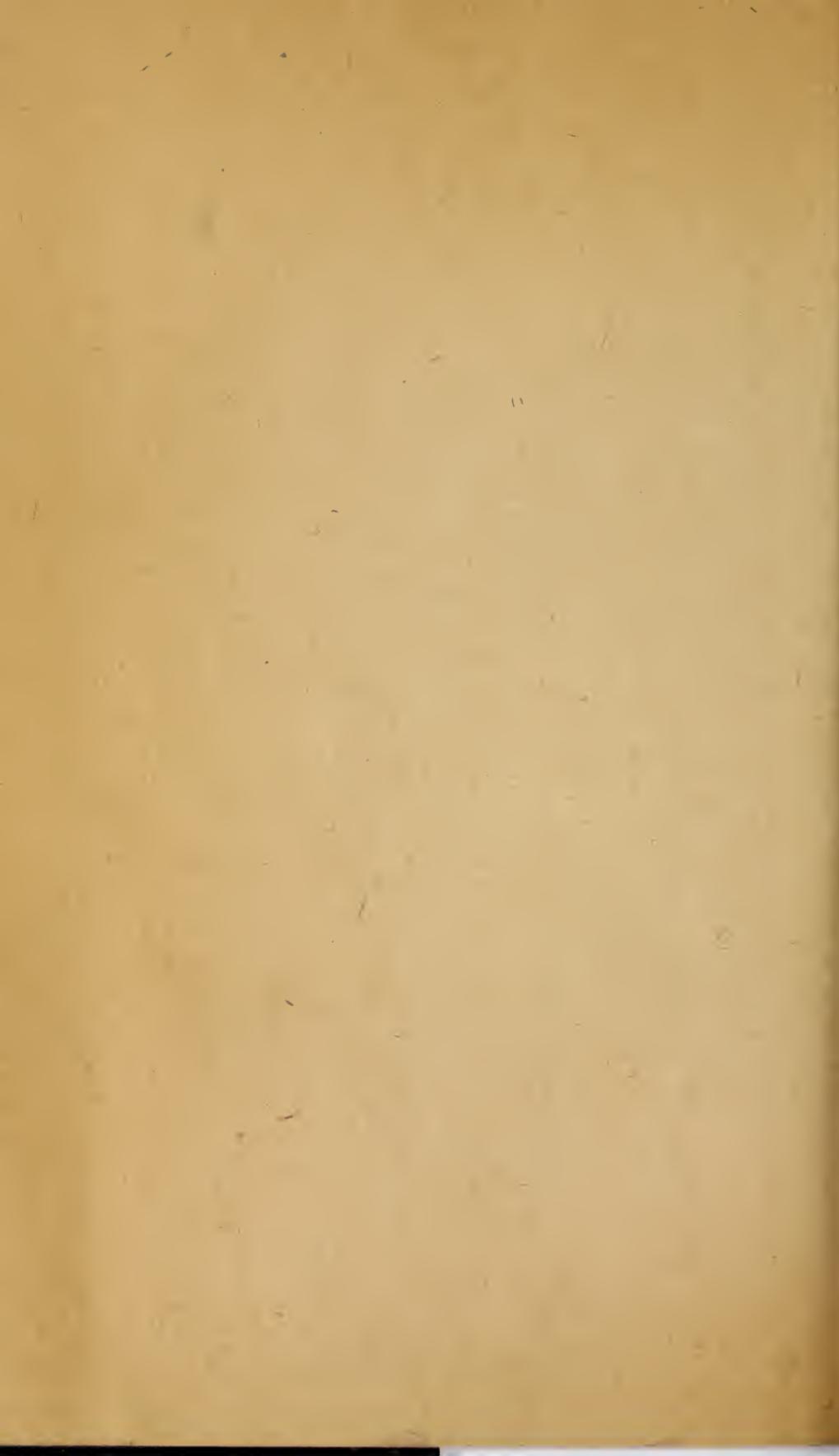


United States Department of Agriculture,
SERVICE AND REGULATORY ANNOUNCEMENTS No. 80.
(AGRICULTURAL ECONOMICS)

REGULATIONS
OF THE SECRETARY OF AGRICULTURE
UNDER THE
UNITED STATES COTTON STANDARDS ACT.

EFFECTIVE AUGUST 1, 1923.

WASHINGTON : GOVERNMENT PRINTING OFFICE : 1923



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△

LETTER OF TRANSMITTAL.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF AGRICULTURAL ECONOMICS,
Washington, D. C., July 16, 1923.

MEMORANDUM FOR MR. PUGSLEY.

DEAR MR. PUGSLEY: I have the honor to transmit herewith a draft of the regulations of the Secretary of Agriculture under the United States Cotton Standards Act of March 4, 1923 (42 Stat., p. 15).

Tentative drafts of these regulations and the manner in which they will affect both the production and distribution of cotton have been discussed thoroughly in conferences with representatives of all branches of the cotton industry. In consequence of these discussions, it is recommended that they be fixed and promulgated as the regulations of the Secretary, pursuant to authority conferred by the act, to be in force and effect on and after August 1, 1923, and until amended or superseded by regulations hereafter made by the Secretary of Agriculture under said act.

Very truly yours,

H. C. TAYLOR,
Chief of Bureau.

Approved:

R. W. WILLIAMS, *Solicitor.*

(III)

DEPARTMENT OF AGRICULTURE,
Washington.

By virtue of the authority vested in the Secretary of Agriculture by the United States Cotton Standards Act of March 4, 1923 (42 Statutes at Large, p. 15), I, C. W. Pugsley, Acting Secretary of Agriculture, do fix, promulgate, and give public notice of the following regulations to be in force and effect on August 1, 1923, and until amended or superseded by regulations hereafter made by the Secretary of Agriculture under said act.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington this 21st day of July, nineteen hundred and twenty-three.

C. W. PUGSLEY,
Acting Secretary of Agriculture.

(IV)



REGULATIONS OF THE SECRETARY OF AGRICULTURE UNDER THE UNITED STATES COTTON STANDARDS ACT.

Regulation 1.—Definitions.

SECTION 1. Words used in these regulations in the singular form shall be deemed to import the plural, and vice versa, as the case may demand.

SEC. 2. As used throughout these regulations, unless the context otherwise require, the following terms shall be construed, respectively, to mean:

Paragraph 1. *The Act*.—The United States Cotton Standards Act, approved March 4, 1923 (42 Stat. 15), with such amendments as may be made from time to time.

Paragraph 2. *Exchange*.—Exchange, board of trade, association, or similar institution or place of business, recognized as such by the Secretary.

Paragraph 3. *Custodian*.—Person who has possession or control of cotton or of samples, as agent, controller, broker, or factor, as the case may be.

Paragraph 4. *Person*.—Individual, association, partnership, or corporation, or two or more individuals having a joint or common interest.

Paragraph 5. *Owner*.—Person who through financial interest owns, controls, or has the disposition either of cotton or of samples.

Paragraph 6. *Bureau*.—Bureau of Agricultural Economics of the United States Department of Agriculture.

Paragraph 7. *Exchange Inspection Bureau*.—The inspection bureau of any exchange which may have an organized inspection bureau recognized as such by the chief of the bureau.

Paragraph 8. *Board*.—Board of cotton examiners.

Paragraph 9. *Official Cotton Standards*.—Official cotton standards of the United States for grade and color for upland cotton, for grade for Sea Island and for American Egyptian cotton, and for length of staple, adopted by or established pursuant to the act or any change or replacement thereof.

Paragraph 10. *Universal Standards*.—The official cotton standards of the United States for grade and color for upland cotton.

Paragraph 11. *Upland Cotton*.—All cotton grown anywhere within the Continental United States, including the growths sometimes referred to as upland, Gulf and Texas cotton, but excluding the Sea Island and American Egyptian varieties.

Paragraph 12. *Supervisor of Inspection*.—An officer of the Department of Agriculture designated as such by the chief of the bureau or by the chairman of a board of examiners.

Paragraph 13. *Secretary*.—The Secretary of Agriculture of the United States.

Paragraph 14. *Regulations.*—Rules and regulations made under the act by the Secretary.

Paragraph 15. *License.*—A license issued under the act by the Secretary.

Paragraph 16. *Licensed Classifier.*—A person licensed under the act by the Secretary to classify cotton according to the official cotton standards of the United States and to certificate the classification of the same.

Paragraph 17. *State.*—A State, Territory, or District of the United States.

Paragraph 18. *Cotton Examiner.*—An officer of the Department of Agriculture so designated by the chief of the bureau.

Paragraph 19. *Dispute.*—A disagreement between the parties as to the true classification of any cotton not tendered for delivery on a contract under the United States cotton futures act or as to its relative classification when compared with a type or other samples.

Paragraph 20. *Party.*—A party to a dispute.

Regulation 2.—Administrative and General.

SECTION 1. The chief of the bureau is charged with the supervision on behalf of the United States Department of Agriculture of the performance of all duties arising in the administration of the act.

SEC. 2. There shall be located at New York, N. Y., at New Orleans, La., and, when necessary in the opinion of the chief of the bureau, at any other point that he shall designate for the purpose, a board of cotton examiners. An appeal board of cotton review examiners shall be constituted to which may be referred for review appeals from the classification and/or comparisons of cotton performed by other boards appointed in accordance with this section. The appeal board of review examiners shall be located at Washington, D. C., except when the chief of the bureau shall require that it meet to perform its functions elsewhere. The members of all boards and the chairman of each shall be designated for the purpose by the chief of the bureau.

SEC. 3. The chief of the bureau shall designate a secretary for each board. It shall be the duty of the secretary of the board to receive all correspondence relating to the classification of cotton under the act and to see that all samples are prepared for classification and/or comparison in such manner that the name of the owner and/or the custodian shall be unknown to the members of the board, who are detailed to classify or compare the cotton, until after the samples are classified.

SEC. 4. In the event of the absence or incapacity of the secretary of the board, the chairman of the board shall designate temporarily an acting secretary of the board in his stead. Any person thus designated shall be thereby disqualified to act as a member of the board in the classification of cotton during the term of such temporary appointment.

SEC. 5. The chief of the bureau whenever he deems necessary may designate an officer of the Department of Agriculture as supervisor of cotton inspection, who shall supervise the inspection and sampling of cotton and perform such other duties as may be required of him.

in administering the act and these regulations. The secretary of the board may or may not be a supervisor of inspection.

SEC. 6. Subject to these regulations and the instructions of the chief of the bureau, the chairman of each board shall be responsible for the proper performance of the duties imposed on such board and on the persons connected therewith.

SEC. 7. For the purposes of the act, the classification and/or comparison of any cotton, samples or types submitted to the Department of Agriculture shall be determined or made only by cotton examiners properly qualified and designated as such by the chief of the bureau, and the certificate of a board of cotton examiners with respect to any cotton shall be deemed to be the certificate of the Department of Agriculture.

SEC. 8. The inspection, sampling and classification of cotton in the United States pursuant to the act shall be performed as prescribed in regulations 1 to 14, inclusive.

SEC. 9. Whenever any association or exchange in any other country than the United States shall adopt the Universal Standards and establish them as the basis of all transactions and contracts for American upland cotton, made and executed according to its rules, the chief of the bureau may appoint certain members or officials of such exchanges as cotton examiners. In so far as the administration of the act applies to cotton involved in contracts made in accordance with the rules of such exchange, the administration shall be as prescribed in regulation 15.

Regulation 3.—Requests.

SECTION 1. For each lot or mark of cotton which the applicant desires classified or compared separately, he shall make a separate written request.

SEC. 2. Such request shall state whether:

(a) Samples are submitted for an informal classification, leading to a Form A memorandum.

(b) Samples are submitted by mutual agreement of two parties to a dispute, or by their agents, for an adjustment of the dispute by the classification and/or comparison of the samples, leading to a Form B certificate.

(c) Cotton is submitted to be sampled under the supervision of a supervisor of inspection to be classed and certificated in a Form C certificate.

SEC. 3. Classification requests made in accordance with section 2(b) shall contain such information as may be required under regulation 6. Classification requests made in accordance with section 2(a) and those made in accordance with section 2(c) shall include the lot number, if any, the marks, the number of bales, the location, and the name of the owner or custodian of the cotton for whose account the classification is requested. It shall be signed by such owner or custodian or in his behalf by his agent.

SEC. 4. All requests for classification and/or comparison in the United States, leading to Form A memoranda and Form B certificates, shall be filed as follows:

Paragraph 1. In the States of Arizona, California, New Mexico, Oklahoma, Texas, Louisiana, Arkansas, Missouri, Tennessee, Missis-

sippi, Alabama, Florida, Georgia, South Carolina, North Carolina, and Virginia, with the secretary of the board of examiners at New Orleans, La.

Paragraph 2. In the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, and Maryland and in cases in foreign countries not otherwise provided for in regulation 15, with the secretary of the board of examiners at New York, N. Y.

Paragraph 3. In all other States, with the secretary of the board either at New York, N. Y., or at New Orleans, La.

SEC. 5. Requests for classification leading to Form C certificates shall be filed with the secretary of the board of examiners at the place where the cotton is located, or in case there is no board at that point with the supervisor of inspection.

SEC. 6. No request shall be filed for a determination of the classification, except as to grade, and/or color, of any cotton described by terms of which the word "millimeter" is a part, unless the classification is for the purpose of adjusting a dispute. In such case a type acceptable to both parties and representing the staple quality in dispute shall be submitted with the samples.

SEC. 7. In order to relieve the boards of duplicated or unnecessary labor, not more than one request for the informal classification of the same cotton shall be filed. Whenever the chief of the bureau or the chairman or secretary of the board with which the request was filed shall find it to be expedient, samples submitted for informal classification, together with the accompanying request, may be transferred to another board for classification.

SEC. 8. Any classification request may be withdrawn by the applicant at any time before the classification of the cotton covered thereby, subject to the payment of such fees, if any, as may be prescribed pursuant to regulation 14. Any classification request may be rejected by the chairman of the board or the chief of the bureau for noncompliance with the act or these regulations.

Regulation 4.—Submission and Disposition of Samples for Form A and Form B Determinations.

SECTION 1. Samples of cotton submitted to a board of cotton examiners for classification and/or comparison shall be drawn from both sides of the bale and shall be delivered to the secretary of the board with which the request was filed, as soon as possible after the filing of such request. All transportation charges incident to the submission of samples shall be prepaid by the party making the request or by his agent.

SEC. 2. All such samples shall be enclosed in one or more wrappers, which shall be labeled or marked or both in such manner as to show the name and address of the owner, the lot number or marks if any, the number of bales represented by the samples contained in each wrapper, and such other information as may be necessary in accordance with the instructions of the chairman of the board or of the chief of the bureau. Each sample of sandy or dusty cotton shall be enclosed in a separate wrapper.

SEC. 3. If any samples are lost, damaged, or mutilated or are received in packages arriving in a condition which may be considered

to alter the representative character of the sample, the secretary of the board shall note all the facts, including the number of missing samples and the tag numbers identifying the samples received and shall so inform the person who made the request. The classification and/or comparison of such samples shall be deferred until the person making the request shall advise in writing whether he wishes the classification and/or comparison to be made of the samples as received or delayed until he substitutes other samples. If the samples are submitted for purposes of adjusting a dispute, both parties shall be given identical information of the condition in which the samples arrived and the approval of both parties of the use of the damaged samples or of the redrawn samples shall be required before the classification shall proceed.

SEC. 4. When so stipulated in the classification request, samples submitted for informal classification shall be returned to the person making the request at his expense at the time the certificate is issued or when the request for classification is withdrawn or rejected; otherwise, such samples shall be disposed of in accordance with section 6 of this regulation.

SEC. 5. Samples of cotton submitted for classification and/or comparison in the adjustment of a dispute shall remain in the possession of the secretary of the board to which they are delivered until the expiration of the time permitted for requesting a review as provided in regulation 11, or, if a review is requested, until the classification has been reviewed. If so requested by the party who submitted the samples for original classification, the samples shall be returned to him or to any person whom he may designate at the end of such time or after such review, as the case may be; otherwise, they shall be disposed of as provided in section 6 of this regulation.

SEC. 6. Samples not removed in accordance with these regulations and loose cotton separated from the samples in the handling and classification thereof by a board shall become the property of the Department of Agriculture. Such cotton shall be disposed of in the manner prescribed for other property by the property regulations of the Department of Agriculture, but the proceeds thereof shall be deemed to be part of the costs of classification pursuant to these regulations. Such proceeds shall be deposited with other moneys received in payment of costs to the credit of the revolving fund provided in section 5 of the act.

Regulation 5.—Submission of Cotton, Supervision and Sampling, in Form C Determinations.

SECTION 1. All cotton submitted to the Secretary or to his duly authorized representatives for the purpose of classification or certification, in accordance with section 4 of the act, shall, except as otherwise provided in these regulations for the informal classification of samples or the adjustment of disputes, be submitted in accordance with this regulation.

SEC. 2. All cotton submitted in accordance with this regulation shall be stored in storage places approved by the chief of the bureau and under the jurisdiction of an exchange inspection bureau. The exchange inspection bureau, under the supervision or control of which any cotton classified pursuant to this regulation shall be

held or stored, shall furnish to the board which classified such cotton, on the first business day of each week, a written statement of all certified cotton withdrawn from storage, or the lot number of cotton the identification of which has been changed, or which has otherwise been removed from the supervision or control of such exchange inspection bureau, during the next preceding week. Such statement shall show each lot number, and if changed, the new lot number, and in case of the withdrawal or removal or a portion only of the lot, the tag numbers of the bales so withdrawn or removed. If such removal be to a different place of storage under the supervision or control of the exchange inspection bureau, the statement shall show the new location.

SEC. 3. The inspection and sampling of cotton of which classification is desired shall be subject to the supervision and in accordance with the instructions of a supervisor of cotton inspection.

SEC. 4. The owner or custodian of the cotton shall cause the cotton to be made available to such supervisor for such examination as may be necessary for the purposes of its classification, and shall take such steps as may be necessary to secure its proper inspection and sampling and the proper preparation and delivery of representative samples thereof at the place designated therefor, in accordance with these regulations, without expense to the Department of Agriculture.

SEC. 5. No person shall, after notice by the chief of the bureau, be employed in any way in connection with any phase of the inspection and sampling of cotton, or the preparation of the samples thereof, for the purposes of classification under these regulations, who for good cause is disapproved by the chief of the bureau.

SEC. 6. One sample shall be drawn from the top side of each bale and one from the bottom side. Each such sample shall weigh not less than three (3) ounces. The head of the bale shall be properly inspected, and any conditions not fully indicated by the samples shall be specified by the inspector or the sampler of the cotton in a written memorandum to the board which shall accompany the samples.

SEC. 7. In addition to the samples hereinbefore prescribed, separate samples, if desired, may be drawn and furnished to the owner or custodian of the cotton.

SEC. 8. All persons in any way connected with the inspection and sampling and handling of samples of cotton for the purpose of classification, pursuant to these regulations, shall carefully handle them in such manner as not to cause loss of sand therefrom or any change otherwise in their representative character.

SEC. 9. Any sample or set of samples which does not meet the requirements of these regulations or which does not correctly represent the bale or bales from which drawn may be rejected by a supervisor of cotton inspection or the secretary or chairman of the board. Whenever the supervisor of cotton inspection or the chairman of the board shall find it necessary, in order to determine the true classification of any bale, such bale shall be reinspected, and if necessary resampled, and the new samples shall be delivered at the place designated therefor in accordance with these regulations.

SEC. 10. The samples may be removed by the holder of the certificate covering the same at any time (a) after the withdrawal of

the cotton from supervision, or (b) after the surrender to the board for cancellation of the certificates covering the cotton represented thereby without the issuance of a new certificate in lieu thereof.

SEC. 11. If a classification request shall be withdrawn prior to the classification of the cotton pursuant thereto, the applicant may, within seven (7) days after the date of such withdrawal, remove any samples of the cotton involved then in the possession of the Department of Agriculture.

SEC. 12. Samples not removed in accordance with this regulation shall be disposed of in accordance with section 6 of regulation 4.

Regulation 6.—Adjustment of Disputes.

SECTION 1. Whenever in a transaction involving cotton not tendered for delivery on a contract under the United States cotton futures act, or which has not been previously classified and certified in accordance with regulation 5, a dispute not falling within the provisions of regulation 15 shall arise as to the true classification of the cotton and/or as to its being equivalent or not equivalent in respect to grade, and/or staple and/or other qualities to a type or to other samples, either party may submit samples thereof in accordance with regulation 4 with a request for a determination of its true classification in any or all such respects as provided in regulation 7 or for comparison with a type or other samples as provided in regulation 8.

SEC. 2. The request shall be accompanied by a stipulation, signed by the parties or by their agents, and dated, which shall state:

- (a) The names and post-office addresses of the parties, or their agents, if any, signing the stipulation;
- (b) The exchange, association or other body, if any, under whose rules the contract was made;
- (c) The interests of the parties in such contract;
- (d) The respective claims of each party as to the quality or grade or length of staple of each bale or other package of cotton involved in the dispute, and the facts material thereto;
- (e) The marks identifying each bale or other package of cotton in dispute;
- (f) The place or places where it is located;
- (g) That the parties have agreed upon samples to be submitted.

SEC. 3. In the application of these regulations to the adjustment of disputes or when it may otherwise be necessary, the same definitions of terms shall be taken as those laid down in the rules or regulations of the exchange, association or other body under which the contract was made, except that when two grades are used to describe a single lot of cotton without reference to the proportions of each as, for example, Middling to Strict Middling, unless a different meaning be plainly evident from the language of the contract or the rules under which it is made, the description shall be construed to mean that no bale in the lot is intended to be below the lower or above the higher grade of the description. The same principle shall be observed when two staple lengths not expressed in millimeters are similarly employed in a single description.

Regulation 7.—Classification.

SECTION 1. The classification of all cotton samples shall be according to the Universal Standards or other official cotton standards of the United States in effect at the time.

SEC. 2. All cotton for which requests for classification, and/or comparison shall be pending shall be classified as far as practicable in the order in which proper samples thereof, ready for such classification or comparison, shall have been delivered to the board whose duties include the examination thereof, except as otherwise provided in these regulations or when the chairman of the board or the chief of the bureau shall find that an emergency exists and shall order otherwise, but the informal classification of samples shall yield precedence to the classification and certification of cotton in accordance with regulation 5 or with the adjustment of disputes in accordance with regulation 6.

SEC. 3. Classification shall not proceed until the samples, after being delivered to the board, shall have been exposed for such length of time as in the judgment of the chairman shall be sufficient to put them in proper condition for the purpose, in no case less than 12 hours.

SEC. 4. Such classification shall proceed as rapidly as possible, but not when light or other conditions make uncertain the accuracy of the results to be obtained.

SEC. 5. If a sample drawn from one portion of a bale is lower in grade or shorter in length than one drawn from another portion of such bale, except as otherwise provided in these regulations, the classification of the bale shall be that of the sample showing the lower grade or shorter length.

SEC. 6. If cotton be reduced in value, by reason of the presence of extraneous matter of any character or irregularities or defects, below its grade according to the official cotton standards of the United States, the grade to the value of which it is so reduced, and the quality or condition which so reduces its value, shall be determined and stated.

SEC. 7. For the purposes of classification of any cotton or of its comparison with a type or other samples, the following terms shall be construed, respectively, to mean:

(a) *Cotton of perished staple.*—Cotton that has had the strength of fiber, as ordinarily found in cotton, destroyed or unduly reduced through exposure to the weather either before picking or after baling, or through heating by fire, or on account of water packing, or by other causes.

(b) *Cotton of immature staple.*—Cotton that has been picked and baled before the fiber has reached a normal state of maturity, resulting in a weakened staple of inferior value.

(c) *Gin-cut cotton.*—Cotton that shows damage in ginning, through cutting by the saws, to an extent that reduces its value more than two grades.

(d) *Reginned cotton.*—Cotton that has passed through the ginning process more than once, and cotton that, after having been ginned, has been subjected to a cleaning process and then baled.

(e) *Repacked cotton.*—Cotton that is composed of factors', brokers', or other samples, or of loose or miscellaneous lots collected and re-baled.

(f) *False packed cotton.*—Cotton in a bale (1) containing substances entirely foreign to cotton, (2) containing damaged cotton in the interior with or without any indication of such damage upon the exterior, (3) composed of good cotton upon the exterior and decidedly inferior cotton in the interior, in such manner as not to be detected by customary examination, that is, a plated bale, or (4) containing pickings or linters worked into the bale.

(g) *Mixed packed cotton.*—Cotton in a bale which shows a difference of more than two grades in samples drawn therefrom, or which shows a difference in color exceeding two grades between such samples.

(h) *Water-packed cotton.*—Cotton in a bale that has been penetrated by water during the baling process, causing damage to the fiber, or a bale that through exposure to the weather or by other means, while apparently dry on the exterior, has been damaged by water in the interior.

Regulation 8.—Sample and Type Comparison.

SECTION 1. When a comparison of cotton samples with other actual samples or with a type without a statement of the true classification is requested, the procedure and methods shall be as outlined in this regulation.

SEC. 2: Such comparison may be requested in respect to grade and/or staple and/or to any physical characteristic of the cotton involved including any of the component qualities embodied in the grade, but no comparison shall be made except in respect to the qualities specified in the request.

SEC. 3. The methods of submitting samples and/or types to the Department of Agriculture for examination and comparison shall be as prescribed in regulation 4.

SEC. 4. The method of handling and preparing samples for examination and comparison shall be as prescribed in section 3 of regulation 7.

SEC. 5. Paragraph 1. In the examination and comparison of samples with other samples and/or types of uniform grade, staple length and/or other quality, the opinion or decision of the board shall be expressed as described in this section, as follows:

Paragraph 2. For each bale of the cotton involved of which the grade is equal to the type of corresponding sample by the words "grade equal."

Paragraph 3. For each bale of the cotton involved of which the staple is equal to the type of corresponding sample by the words "staple equal."

Paragraph 4. For each bale of the cotton involved which is equal to the type or corresponding sample in any other respect in which an opinion is requested by the word "equal," together with other words necessary to indicate the nature of the equality.

Paragraph 5. For each bale of the cotton involved, of which the grade is below or above that of the type or corresponding sample by

the words "grade deficient" or "grade better," as the case may be, together with a statement of the amount of deficiency or superiority as measured by the grades of the Universal Standards.

Paragraph 6. For each bale of the cotton involved of which the length of staple is less or more than that of the type or corresponding samples by the words "staple deficient" or "staple better," as the case may be, together with a statement of the amount of deficiency or excess length as measured in fractions of an inch.

Paragraph 7. For each bale of the cotton involved which is not equal to or which is better than the type or corresponding sample in any other respect or in respect to any of the component qualities embodied in the grade by the word "deficient" or "better," together with other necessary words indicating the nature of the deficiency or superiority.

SEC. 6. Paragraph 1. In the examination and comparison of samples with a type in which more than one grade, staple length, or quality of another kind are represented the opinion or decision of the board shall be expressed as prescribed in this section as follows:

Paragraph 2. If the proportions of each grade are the same in the samples as in the type, the cotton shall be said to be "equal in grade."

Paragraph 3. If the proportions of each staple length are the same in the samples as in the type, the cotton shall be said to be "equal in staple length."

Paragraph 4. If the proportions of the other qualities in question are the same in the samples as in the type, the cotton shall be said to be "equal" in respect to the qualities in question.

Paragraph 5. If the proportions of any grade, staple length and/or other qualities including the component qualities of the grade are more or less than the corresponding proportion in the type, the board shall indicate the number of bales which are better than the type, the number of bales which are equal to the type, and the number of bales which are deficient, and the amount of any superiority or deficiency as measured by the official standards of the United States.

Regulation 9.—Certificates and Memoranda.

SECTION 1. As soon as practicable after the classification of cotton has been completed by a board of cotton examiners, there shall be issued a cotton class certificate of the appropriate kind showing the results of such classification.

SEC. 2. When an informal classification has been made of any samples submitted for the purpose, the results of such classification shall be stated in a Form A memorandum. Each Form A memorandum shall state that the classification applies only to the samples submitted and may or may not be the true classification of the cotton. Such memorandum shall be considered to be for the information only of the owner or custodian and shall not be deemed to be a final certificate or subject to being made a final certificate within the meaning of section 4 of the act or for any purpose whatsoever.

SEC. 3. When the samples of any cotton involved in a dispute shall, by mutual agreement of the parties to such dispute or by their duly authorized agents, have been referred to a board for classifica-

tion or for comparison with a type or with other samples in accordance with regulation 6, the chairman of the board shall issue an adjustment certificate known as a Form B certificate. Each Form B certificate shall show the true classification as determined in accordance with regulation 7, or the results of such comparison made as provided in regulation 8, in respect to the qualities in dispute of the cotton involved. Such certificate, when it has been once reviewed in accordance with regulation 11, shall be deemed as between the parties to the dispute a final certificate within the meaning of section 4 of the act, but no Form B certificate issued in the United States shall be deemed to be final in any respect when inconsistent with a valid Form C certificate covering the same cotton which has been issued under section 4 of this regulation. The original Form B certificate shall be furnished to the party submitting the samples and an exact copy of the certificate shall be furnished to the other party to the dispute or to his agent at the address given in the stipulation.

SEC. 4. When cotton has been submitted for sampling under supervision and for classification as provided in regulation 5, there shall be issued a cotton class certificate known as a Form C certificate. Each Form C certificate shall show the true classification of the cotton in the respects specified in the request. Such certificate when it has been once reviewed in accordance with regulation 10 shall be deemed to be a final certificate as to the classification shown, within the meaning of section 4 of the act, in all cases except when superseded by a certificate or award made as provided in regulation 15.

SEC. 5. Upon the written request of the holder of a cotton class certificate issued under these regulations a new certificate shall be issued, without the reclassification of the cotton, to take the place of the former certificate for any cotton covered thereby, when necessary on account of the breaking or splitting of a lot or otherwise, for the business convenience of such holder. In such case the former certificate shall be surrendered for cancellation before the issuance of the new certificate. Such new certificate shall bear a new number and the date of its issuance and shall otherwise comply with these regulations.

SEC. 6. Upon the written request of the last holder of a valid Form C certificate or of a Form B certificate and a showing to the satisfaction of the chairman of the board which issued such certificate that it has been lost or destroyed, and, if lost, that diligent effort has been made to find it without success, a new certificate shall be issued without the reclassification of the cotton. Such new certificate shall bear the same number and date of issuance as the lost or destroyed certificate, and shall include a statement to the effect that it is a duplicate issued in lieu of the lost or destroyed original, as the case may be.

SEC. 7. For a good cause any certificate issued under this regulation shall be surrendered to the chairman of the board which issued it, upon his request or upon the request of the chief of the bureau, and a new certificate complying with these regulations may be issued in substitution therefor. If such certificate be not surrendered upon such request, it shall nevertheless be invalid for the purposes of the act and these regulations.

Regulation 10.—Reviews and Appeals.

SECTION 1. Except as otherwise provided, one review only of the classification or comparison of the cotton covered by any certificate may be had as provided in this regulation.

SEC. 2. No review shall be granted of the classification represented in a Form A memorandum.

SEC. 3. All reviews of cotton classification or of comparison not otherwise provided for in regulation 15 shall be made by the appeal board of review examiners at Washington, D. C., except in cases where the certificate issued under this act has been canceled before review and reissued in a form provided in the United States cotton futures act, and the regulations of the Secretary thereunder. In such cases the review shall be in accordance with those regulations.

SEC. 4. Application for review shall be made in writing to the secretary of the board with which the request for original classification or comparison was filed. No such application shall be received unless it is accompanied by the original certificate of classification or comparison.

SEC. 5. The holder of a Form C certificate shall be allowed one year following the date shown in the certificate for filing his application for review, but no review shall be granted if the samples of the cotton according to which the cotton was classed have been withdrawn.

SEC. 6. Either party to a dispute in which the samples involved have been submitted for examination and/or comparison may appeal from the classification and/or comparison represented in a Form B certificate. Each such appeal shall be filed with the secretary of the board which made the original classification and/or comparison, and shall be accompanied by the original certificate and by a remittance of the costs in the proper form and amount as provided in regulation 14. The time allowed for the filing of such appeal shall be the same for both parties and as follows:

Paragraph 1. If both parties to the dispute are located and doing business within the United States, fifteen (15) full calendar days following the date of the certificate.

Paragraph 2. If either of the parties is located and doing business in a foreign country, thirty (30) full calendar days following the date of the certificate.

SEC. 7. Immediately upon the filing of an application for review or of an appeal as provided in section 6 of this regulation, the secretary of the board which performed the original classification and/or comparison shall send the samples involved, together with a copy of the original request and the application for review or appeal, to the secretary of the appeal board of review examiners at Washington, D. C.

SEC. 8. Unless the use of new samples shall be necessary in the judgment of the chairman of the appeal board of review examiners, a review pursuant to this regulation shall be made on the basis of the samples of the cotton involved in the possession of the board.

SEC. 9. The classification of any bale shown by the original cotton class certificate shall be changed only when it shall appear upon the review that such classification was clearly erroneous.

SEC. 10. If the classification of all the cotton as shown by the cotton class certificate be found to be correct, there shall be placed upon the certificate a notation which shall be signed by the chairman of the appeal board of review examiners and dated, to the effect that the classification of the cotton covered by such certificate has been reviewed and determined to be as stated in such certificate. Thereupon the certificate shall be returned to the person who requested the review. If the certificate be a Form B certificate, the other party to the dispute shall be advised in writing that the original classification has been confirmed.

SEC. 11. If the classification of any bale of cotton as shown by the certificate shall be changed, such certificate shall be canceled and there shall be issued in lieu thereof a new certificate showing the classification of each bale as determined upon such review or appeal. There shall be incorporated in such certificate a statement to the effect that the classification of the cotton covered thereby has been reviewed and determined to be as stated in such certificate. Such certificate shall bear a new number and the date of its issuance and shall be delivered to the person who requested the review or appeal, and, if a Form B certificate, an exact copy shall be mailed to the other party to the dispute.

SEC. 12. If the comparison of any cotton samples with a type or with other samples involved in a dispute is found on appeal to be correct or incorrect, the procedure of the board shall be the same with regard to the comparison as that provided in sections 10 and 11. Each party shall be furnished a copy of the certificate showing the decision of the appeal board in such case.

Regulation 11.—Supervision of Transfers of Cotton.

SECTION 1. Whenever the owner or custodian of any cotton inspected and sampled for classification, pursuant to regulation 5 or for which he holds valid Form C certificates, desires to transfer such cotton to a different place for the purpose of having it made available for delivery upon a contract made in accordance with section 5 of the United States cotton futures act at the place to which it is to be removed, the procedure shall be as outlined in this regulation. Conformity to this procedure shall not be necessary in the case of the transfer of cotton between different warehouses at the same place when such transfer is effected under the supervision of the exchange inspection bureau, or a representative of the bureau authorized for the purpose at such place. In such cases the exchange inspection bureau shall report the facts to the board in accordance with section 2 of regulation 5.

SEC. 2. The person who made the request for the classification or the holder of a Form C certificate shall file with the secretary of the board with which the classification request was filed or which issued the certificate or, if at a point at which there is no board, with the supervisor of inspection at that point, a written request for the supervision of such transfer. Such request shall be in such form as the chief of the bureau shall prescribe. It shall properly identify the cotton and state the respective locations from and to which the cotton is to be transferred. If a Form C certificate for such cotton has previously

been issued by the board, the holder thereof shall surrender such certificate to the board for cancellation before such transfer shall take place.

SEC. 3. As soon as practicable after the filing of such request a supervisor of cotton inspection or a cotton examiner shall examine each bale of cotton covered by the transfer request, and shall attach to it a metal tag or seal provided for the purpose by the bureau.

SEC. 4. Thereupon there shall be issued to the person requesting the same a transfer certificate in form prescribed for the purpose by the chief of the bureau, properly identifying the cotton according to such metal tags or seals and the other means of identification in the possession of the bureau, showing the respective locations from which and to which the cotton is to be transferred.

SEC. 5. When the cotton shall have been delivered for storage at the place of its destination, the transfer certificate shall be surrendered to the chairman of the board at such place or to such other official as the chief of the bureau shall designate for the purpose. Thereupon a supervisor of cotton inspection or a cotton examiner, or other representative of the bureau authorized for the purpose, shall examine each bale of cotton covered by such transfer certificate. If he finds that the identity of the cotton has been properly preserved, there shall be issued to the person requesting the same a cotton class certificate or certificates, complying with these regulations and valid for use under the United States cotton futures act, at such destination, without the reclassification of the cotton.

SEC. 6. Supervision of transfers in accordance with this regulation shall not be granted, nor shall any certificate be issued, with respect to any bale which is found to be in such condition that its classification is different from that shown by the Form C certificate, unless such bale shall be reinspected and, if necessary, reclassified in accordance with these regulations.

Regulation 12.—Licensed Classifiers.

SECTION 1. Paragraph 1. Applications for licenses to classify cotton under section 3 of the act shall be made to the chief of the bureau on forms furnished for the purpose by him.

Paragraph 2. Each such application shall be in English and shall be signed by the applicant, shall be verified by him under oath or affirmation administered by a duly authorized officer, and shall contain or be accompanied by (a) satisfactory evidence that he has passed his twenty-first birthday, (b) satisfactory evidence of his training and experience in the actual classification of cotton, (c) a statement by the applicant that he agrees to comply with and abide by the terms of the act and these regulations so far as they may relate to him, (d) a remittance of the license fee specified in section 11 of regulation 14, and (e) such other information as the chief of the bureau may deem necessary.

Paragraph 3. The applicant shall furnish such additional information as the Secretary or the chief of the bureau shall at any time find to be necessary to the consideration of his application.

SEC. 2. Each applicant for a license as a classifier and each licensed classifier shall, when requested, submit to an examination or test by one or more members of the appeal board of review examiners

appointed by the chief of the bureau as provided in section 2 of regulation 2, to show his ability properly to classify cotton, and shall also make available for inspection copies of the standards for classification used or to be used by him.

SEC. 3. Paragraph 1. Each classifier shall be licensed according to his qualifications in the respects enumerated in this section and each license issued shall show upon its face whether the licensee is qualified:

- (a) To grade cotton in accordance with the Universal Standards.
- (b) To grade cotton in accordance with the official standards of the United States for grade for Sea Island cotton.
- (c) To grade cotton in accordance with the official standards of the United States for American Egyption cotton.
- (d) To determine the staple length of cotton in accordance with the official cotton standards of the United States for length of staple.

SEC. 4. The period for which a license may be issued shall be from the first day of August until and including the thirty-first day of July following. Renewals shall be for one year only beginning with the first day of August of each year.

SEC. 5. Whenever any classifier licensed under the act and in accordance with these regulations, shall classify and/or certificate any cotton or samples in consideration of a stated fee, the fee charged shall be in accordance with a schedule previously submitted to and approved by the chief of the bureau.

SEC. 6. Each licensed classifier shall keep for a period of one year in a place accessible to interested persons a copy of each certificate issued by him under these regulations.

SEC. 7. Each licensed classifier shall permit any officer or agent of the Department of Agriculture, authorized by the Secretary for the purpose, to inspect or examine, on any business day during the usual hours of business, his books, papers, records, and accounts relating to the performance of his duties under the act and these regulations.

SEC. 8. Each licensed classifier shall, from time to time when requested by the chief of the bureau, make reports, on forms furnished for the purpose by the bureau, bearing upon his activities as such licensed classifier.

SEC. 9. Every person licensed under the act shall immediately furnish the chief of the bureau any information which comes to the knowledge of such person tending to show that any provision of the act or the regulations has been violated.

SEC. 10. Pending investigation the Secretary may, whenever he deems necessary, suspend the license of a licensed classifier temporarily without hearing. Upon written request, and a satisfactory statement of reasons therefor, submitted by the licensed classifier, the Secretary may, without a hearing, suspend or cancel the license issued to such licensed classifier. The Secretary may, after opportunity for hearing when possible has been afforded in the manner prescribed in this section, suspend or cancel a license issued to a licensed classifier when such licensed classifier (a) has died, (b) is *non compos mentis*, (c) has ceased to perform services as such

classifier, (d) has knowingly or carelessly classified cotton improperly, (e) has violated or evaded any provisions of this act or the regulations thereunder so far as the same may relate to him, (f) has used his license or allowed it to be used for any improper purposes, or (g) has in any other manner become incompetent or incapacitated to perform the duties of such licensed classifier. Before the license of any licensed classifier is suspended or revoked pursuant to section 3 of the act, such licensed classifier shall be furnished by the Secretary, or by an official of the Department of Agriculture designated for the purpose, a written statement specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with section 12 of this regulation.

SEC. 11. If a license issued to a licensed classifier is suspended, revoked, or canceled by the Secretary, such license shall be returned to the Secretary. At the expiration of any period of suspension of such license, unless in the meantime it be revoked or canceled, the dates of the beginning and termination of the suspension shall be indorsed thereon, and it shall be returned to the license classifier to whom it was originally issued.

SEC. 12. For the purpose of a hearing under the act or this regulation, the licensee involved shall be allowed a reasonable time, fixed by the Secretary or by an official of the Department of Agriculture designated by him for the purpose, within which affidavits and other proper evidence may be submitted. If requested by the licensee within such time, an oral hearing, of which reasonable notice shall be given, shall be held before, and at the time and place fixed by the Secretary or an official of the Department of Agriculture designated by him for the purpose. The testimony of the witnesses at such oral hearing shall be upon oath or affirmation administered by the official before whom the hearing is held, when required by him. Such oral hearing may be adjourned by him from time to time. After reasonable notice to all parties concerned, the deposition of any witness may be taken at a time and place and before a person designated for the purpose by the Secretary or an official of the Department of Agriculture authorized by the Secretary. Every written entry in the records of the Department of Agriculture made by an officer or employee thereof in the course of his official duty, which is relevant to the issue involved in a hearing, shall be admissible as *prima facie* evidence of the facts stated therein without the production of such officer or employee. Copies of all papers and all the evidence submitted or considered in such hearing shall be made a part of the records of the Department of Agriculture. The records and, when there has been an oral hearing other than by the Secretary, the recommendation of the official holding such oral hearing shall be transmitted to the Secretary for his consideration. Each party shall pay all expenses contracted by him in connection with any hearing under this section.

SEC. 13. Upon satisfactory proof of the loss or destruction of a license issued to a licensed classifier, a duplicate thereof may be issued under the same or a new number, in the discretion of the Secretary.

SEC. 14. No person shall in any way represent himself to be a classifier licensed under the act unless he holds an unsuspended, unrevoked, and uncanceled license issued under the act.

SEC. 15. Each class certificate issued under the act by a licensed classifier shall be in a form approved for the purpose by the chief of the bureau, and shall embody within its written or printed terms (a) the caption "Licensed Cotton Classifier's Certificate," (b) whether it is an original, a duplicate or other copy, (c) the date of the certificate, (d) the exact location of the cotton at the time of classification, (e) the identification of each bale of cotton by the tag number and/or mark by which the bale is or was identified in its location at the time the sample upon which the classification was based was taken, (f) the grade, length of staple, or other class of each bale of cotton covered by the certificate, (g) that the certificate is issued by a licensed classifier under the United States Cotton Standards Act and regulations thereunder, and (h) the signature of the licensed classifier. In addition, the class certificate may include any other matter not inconsistent with the act or these regulations.

SEC. 16. A certificate issued by a licensed classifier shall in no case be deemed a final certificate within the meaning of section 4 of the act. The certificate of a board covering any cotton represented in a licensed cotton classifier's certificate shall at once invalidate and supersede a licensed classifier's certificate as to such classification.

SEC. 17. The shipment, sale or consignment of any cotton or the sale or hypothecation of any warehouse receipts, compress receipts or bills of lading representing any cotton covered by a licensed classifier's certificate, shall render such certificate null and void unless the certificate be attached to the warehouse receipts, bills of lading or invoices by which the cotton is moved or sold or by which title to the cotton is passed or hypothecated.

SEC. 18. In case a review is desired of the classification of any cotton represented in a valid certificate issued by a licensed classifier as provided in section 15 of this regulation, the holder of such certificate shall surrender the same, together with samples of the cotton, to a board and receive in its stead a certificate signed by the chairman of such board. The certificate of the board issued in lieu of the licensed classifier's certificate in accordance with this section shall be subject to review by the appeal board of review examiners, provided a review would have been granted if the classification had been performed originally by a board.

Regulation 13.—Official Cotton Standards.

SECTION 1. Practical forms of the Universal Standards and other official standards of the United States, certified under the seal of the Department of Agriculture and under the signature of the Secretary, thereto affixed by himself or by some other official or employee of the Department of Agriculture thereunder duly authorized by the Secretary, and, in the case of the Universal Standards, accompanied by photographs representing the cotton in said practical forms at the time of certification, will be furnished when established by him to any person requesting the same upon prepayment of the cost thereof, as determined by the Secretary, and subject to the following conditions:

(a) That no such form shall be considered or used as representing the Universal Standards or other official cotton standards of the United States after the date of its cancellation in accordance with

this section or, in any event, after the expiration of eighteen (18) months following the date of its certification.

(b) That said forms and the photographs accompanying them shall be subject to inspection on any business day, between the hours of 9 a. m. and 4 p. m., by the Secretary or by any officer or agent of the Department of Agriculture authorized by the chief of the bureau.

(c) That the signature of the Secretary certifying to any practical forms, or any photograph of any type or sample of said practical forms accompanying the same, or both, may be canceled if it be found, upon such inspection, either that any of said forms for any reason misrepresents the Universal Standards or other official cotton standards or that any such photograph has been altered or mutilated.

SEC. 2. Whenever any of the official cotton standards shall have been adopted as Universal Standards by an association or exchange located in a country other than the United States, the name of such association or exchange shall be shown on the outside of the box or container.

SEC. 3. Each application for practical forms of the Universal Standards or other official cotton standards shall be upon a blank furnished by the bureau, incorporating the conditions set forth in this regulation, signed by the applicant, and shall be accompanied by certified check or post office or express money order payable to the "Disbursing Clerk, Department of Agriculture," in an amount sufficient to cover the cost of the forms requested.

Regulation 14.—Fees and Costs.

SECTION 1. All fees for services of classification, comparison, certification, or reviews by a board of examiners shall be paid at the time of filing the request for the service desired.

SEC. 2. Paragraph 1. For the classification and certification of any cotton or samples whether informal or otherwise, or for the review of a licensed cotton classifier's certificate, the person requesting the classification or review shall pay a fee, as follows:

(a) If the classification is with respect to grade only, at the rate of 15 cents a bale.

(b) If the classification is with respect to staple only, at the rate of 15 cents a bale.

(c) If the classification is with respect to any other single quality, at the rate of 15 cents a bale.

(d) If the classification is with respect to two or more of the qualities specified in (a), (b), or (c), at the rate of 30 cents a bale.

Paragraph 2. When a comparison is requested of any samples with a type or with other samples, the fees prescribed in paragraph 1 of this section shall apply to every sample involved, including each of the samples of which the type is composed, except that no charge shall be made for the classification of a type composed of less than 10 samples.

SEC. 3. For each new certificate issued in substitution for a prior certificate at the request of the holder thereof, on account of the breaking or splitting of a lot of cotton covered thereby or otherwise for his business convenience, without the reclassification of the cotton involved, the person requesting such substitution shall pay a fee of 25

cents when the number of bales covered by the new certificate is 10 or less, or a fee of 50 cents when the number of bales covered by such certificate is more than 10.

SEC. 4. For the review of the classification and/or comparison of any cotton on appeal from a board of cotton examiners, the applicant shall pay a fee of 35 cents per bale, which shall include the cost of the transportation of the samples from the point of original classification to Washington, D. C.

SEC. 5. No fee shall be collected for a new cotton class certificate issued in lieu of a prior certificate solely for the purpose of correcting clerical errors therein or for the purpose of substituting a new form applicable to outstanding certificates, or without an application therefor.

SEC. 6. When the request for the classification or comparison of any cotton shall be withdrawn after the classification of such cotton has been started pursuant to such request, the person making the request for the classification shall pay the fee prescribed by section 2 of this regulation.

SEC. 7. When the inspection and sampling or the supervision of the transfer of any cotton shall be performed at a place other than that where a board or supervisor of cotton inspection is regularly located, the person making the request for the classification or the supervision of the transfer of the cotton shall pay, in addition to the costs hereinbefore prescribed, the necessary traveling expenses and subsistence, or per diem in lieu of subsistence, incurred on account of such request, in accordance with the fiscal regulations of the Department of Agriculture, by the persons employed by the Department of Agriculture to supervise such inspection and sampling or transfer.

SEC. 8. The expense of inspection and sampling, the preparation of the samples, and the delivery of such samples to the classification room of the board, or other place specifically designated for the purpose by the chief of the bureau, or by the chairman of such board, shall be borne by the party requesting the classification.

SEC. 9. For the supervision of the transfer of cotton in accordance with regulation 11, including such new certificates incidental thereto as may be necessary for the delivery of such cotton upon a contract made in accordance with section 5 of the United States cotton futures act, without its reclassification, the applicant for such transfer supervision shall pay a fee of 20 cents per bale.

SEC. 10. If requested by the secretary of the board or supervisor of inspection with which a request is required to be filed or by the chief of the bureau, the person from whom any payment under this regulation may become due shall make an advance deposit to cover such payment in such amount as may be necessary in the judgment of the official requesting the same. Any unused balance remaining after the assessment of charges and the payment of expenses, if any, incurred under section 7 of this regulation shall be returned to the depositor.

SEC. 11. For the first license issued to a classifier in accordance with regulation 12, the fee shall be \$10. For each renewal thereof, the fee shall be \$5.

SEC. 12. Paragraph 1. The cost of a set of practical forms of the Universal Standards for the nine grades, No. 1 or middling fair, No. 2 or strict good middling, No. 3 or good middling, No. 4 or strict middling, No. 5 or middling, No. 6 or strict low middling, No. 7 or low middling, No. 8 or strict good ordinary, and No. 9 or good ordinary, shall be \$45.

Paragraph 2. The cost of a set of practical forms of the Universal Standards for yellow tinged cotton of the grades No. 3 or good middling, No. 4 or strict middling, No. 5 or middling, No. 6 or strict low middling, and No. 7 or low middling, yellow stained cotton of the grades No. 3 or good middling, No. 4 or strict middling, and No. 5 or middling, and for blue stained cotton of the grades No. 3 or good middling, No. 4 or strict middling, and No. 5 or middling shall be \$55.

Paragraph 3. The cost of a set of practical forms of the official cotton standards for American Egyptian cotton of grades 1, 2, 3, 4, and 5 shall be \$25.

Paragraph 4. The cost of a set of practical forms of the official cotton standards for Sea Island cotton of grades 1, 2, 3, 4, 5, and 6 shall be \$30.

Paragraph 5. The cost of a fractional part of any of the sets mentioned in paragraphs 1, 2, 3, and 4 shall be at the rate of \$5 for each box contained in such fractional part.

Paragraph 6. The cost of a set of practical forms of the official cotton standards for the 12 lengths of staple, $\frac{3}{4}$, $\frac{7}{8}$, 1, $1\frac{1}{8}$, $1\frac{1}{4}$, $1\frac{3}{8}$, $1\frac{5}{8}$, $1\frac{3}{4}$, $1\frac{1}{2}$, $1\frac{5}{8}$, and $1\frac{3}{4}$ inches, shall be \$12, and the cost of a fractional part of such set shall be at the rate of \$1 for each sample contained in such fractional part.

Paragraph 7. The cost of new samples furnished in replacement of old samples in any box of the practical forms mentioned in paragraphs 1, 2, 3, 4, and 5 returned to the department shall, exclusive of the box container, be at the rate of \$4 for each box, except that, when the number of samples so furnished is five or less in one box, the cost shall be at the rate of 40 cents for each sample. The cost of each new box container furnished with such samples shall be \$1.

Paragraph 8. The cost of practical forms of the Universal Standards or other official cotton standards which may hereafter be established shall be such as the Secretary of Agriculture may determine.

Paragraph 9. The costs prescribed in this section are exclusive of transportation charges.

SEC. 13. Any payment or advance deposit under this regulation shall be by certified check, or by draft or post-office or express money order, payable to the order of "Disbursing Clerk, Department of Agriculture," and shall not be made in cash.

SEC. 14. Nothing in these regulations shall be construed to void or modify any claim which a person or party requesting and paying for a service may have against any other person or party for the payment of part or all of such costs.

Regulation 15.—Adjustment of Disputes Arising From Contracts for the Shipment of Cotton From the United States.

SECTION 1. Paragraph 1. When an association or exchange located in a country other than the United States shall adopt any of the of-

ficial cotton standards of the United States and when the members of the committee of such associations or exchange having final jurisdiction in the matter of appeals have been designated as cotton examiners by the chief of the bureau, such committee may be constituted for the purposes of this act a board of the Department of Agriculture and authorized to act as follows:

Paragraph 2. In so far as the exchange has adopted the Universal Standards, the committee may pass upon the classification of cotton involved in a dispute between a party in the United States and a party without the United States to a contract made under the rules of the association or exchange.

Paragraph 3. The submission of samples of cotton involved in such a dispute to such association or exchange or such committee in accordance with the rules of the association or exchange shall be deemed to be a submission to the Department of Agriculture.

Paragraph 4. Determinations of classification made by the boards so constituted shall be final and shall supersede, as to the parties to the dispute, any other certificate, as to grade and color, affecting such cotton, issued by the Department of Agriculture under the act and these regulations. When so provided in the articles, rules or by-laws of the association or exchange, such determinations may be evidenced by awards. If an award is made which does not state the classification such board will, upon request of the owner or custodian of the cotton and the payment of a reasonable additional fee, issue a certificate showing in detail the true classification for grade and color of such cotton, based upon a comparison of the samples with the Universal Standards or with a type or other samples on which the cotton has been sold, as the case may be.

SEC. 2. The manner of procedure in submitting and handling samples, in classification, and in instituting and conducting arbitrations and appeals, shall be as prescribed in the articles, by-laws and rules of the association or exchange.

SEC. 3. No charge shall be made by the Department of Agriculture for services performed under this regulation, but nothing herein shall be construed to prevent the association or exchange from making and collecting such fees for the services of its committee as may be found to be reasonable.

Regulation 16.—Publications.

SECTION 1. Publications under the act and these regulations may be made in service and regulatory announcements of the bureau and by such other means as the chief of the bureau shall, from time to time, designate for the purpose.



